

**Date Posted: December 13, 2013**

**CITY OF EAST PROVIDENCE**

**RHODE ISLAND**

**DOCKET OF REGULAR COUNCIL MEETING**

**December 17, 2013**

**Council Chambers, City Hall, 145 Taunton Avenue, East Providence,  
RI 02914**

**5:30 P.M. Open Session**

**I. CALL TO ORDER**

**II. SALUTE TO THE FLAG**

**III. TO APPROVE THE CONSENT CALENDAR**

**All items under “CONSENT CALENDAR” are considered to be of a routine and noncontroversial nature by the City Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member so requests, in which event, the item will be removed from the “CONSENT CALENDAR” and will be considered in its normal sequence on the docket.**

**A. Letters**

**1. Coastal Resources Management Notice for Public Comment seeking to amend Sections 920.1B.2(f) and (g) of the CRMC Salt Pond Region Special Area Management Plan (SAMP).**

**2. Coastal Resources Management Council changes proposed to the CRMC Section 110 Applications for Category A and Category B Assents.**

**B. Council Journals**

- 1. Regular Council Meeting November 19, 2013**
- 2. Council Work Session October 9, 2013**
- 3. Council Executive Session April 2, 2013**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**IV. PUBLIC COMMENT**

**V. APPOINTMENTS**

**A. Traffic Control (by Councilwoman Capobianco)**

**Joseph Vincent, 74 Thurston Street (02915)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**B. Traffic Control (by Councilwoman Capobianco)**

**Richard Peters, 38 Narragansett Avenue (02915)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**C. Juvenile Hearing Board – Reappointment (by Assistant Mayor Rose)**

**Robert Rock, 735 Willett Avenue (02915)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**D. Board of Assessment Review – Reappointment (by Assistant Mayor Rose)**

**Luci Stoddard, 5 Carolina Avenue (02915)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**VI. LICENSES REQUIRING PUBLIC HEARING**

**Licenses are granted subject to all required approvals from State and City departments.**

**A. B-Full Privilege Vict - Transfer**

**Transfer from Cilantro Mexican Grill, LLC DBA Cilantro Mexican Grill to CMG Holding Company, LLC DBA Cilantro Mexican Grill, 430 Newport Avenue (02916) John Palmieri, 17 Doane Road, Barrington (02806)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

## **VII. LICENSES NOT REQUIRING PUBLIC HEARING**

**Licenses are granted subject to all required approvals from State and City departments.**

### **A. Vict/Not Over 50 - Transfer**

**Transfer from Cilantro Mexican Grill, LLC DBA Cilantro Mexican Grill to CMG Holding Company, LLC DBA Cilantro Mexican Grill, 430 Newport Avenue (02916) John Palmieri, 17 Doane Road, Barrington (02806)**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

## **VIII. PUBLIC HEARING – ORDINANCES FINAL PASSAGE**

**A. AN ORDINANCE IN AMENDMENT OF CHAPTER 16 OF THEREVISED ORDINANCES OF THE CITY OF EAST PROVIDENCE, RHODE ISLAND, 1998, AS AMENDED, ENTITLED “TAXATION”**

**SECTION I. Article X entitled “Tax Stabilization for Qualified Businesses” of Chapter 16 of the Revised Ordinances of the City of East Providence, Rhode Island, 1998, as amended, entitled “Taxation.” Is amended to read as follows:**

### **Sec. 16-61. Definitions.**

**Applicant means the lessee or property owner who initiates the property tax stabilization application process.**

**Property for the purposes of this ordinance means the land, buildings and/or facilities where the expansion, construction or renovation occurs, or business tangible property.**

### **Sec. 16-62. Purpose.**

**The purpose of this article is to promote business expansion in the city through the development of a property tax stabilization program.**

### **Sec. 16-63. Eligible property.**

**(a) All legally permitted commercial and industrial facilities within the city which meet the qualifications established in this article are eligible to participate. No property under Tax Incremental Financing (TIF) agreement shall be eligible for stabilization.**

**(b) Any applicant business and/or property owner for tax stabilization pursuant to this article must be current on all tax payments to the city as of the time of application and at the time the property tax stabilization is granted. Any property owner who applies for property tax credits on behalf of a business operating at the property owner's facilities shall be current on all real estate tax payments to the city.**

**(b) All legally permitted apartments, condominium complexes, and hotels which meet the qualifications established in this article are eligible to participate.**

**(c) The granting of the exemption or stabilization will inure to the**

**benefit of the city by reason of:**

**(1) The willingness of the manufacturing or commercial concern to locate in the city; or**

**(2) The willingness of a manufacturing firm to expand facilities with an increase in employment or the willingness of a commercial or manufacturing concern to retain its facility in the city and not reduce substantially its work force in the city.**

**(c) All new business tangible property which meets the qualifications established in this article is eligible to participate.**

**(d) The granting of the exemption stabilization of taxes will inure to the benefit of the city by reason of the willingness of a manufacturing or commercial firm to replace, reconstruct, expand, retain or remodel existing buildings, facilities, machinery, or equipment with modern buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in plant or commercial building investment by the firm in the city.**

**(d) Any applicant business and/or property owner for tax stabilization pursuant to this article must be current on all tax, user fees and any other payments owed to the city as of the time of application and at the time the property tax stabilization is granted. Any property owner who applies for property tax credits on behalf of a business operating at the property owner's facilities shall be current on all tax, user fees and other payments owed to the city.**

**(e) Prior to authorizing any property tax stabilization for the property, the city treasurer shall be required to issue a written certification indicating that the applicant business and/or property owner is**

**current on all appropriate tax payments to the city. Any payments that are in arrears on the property shall render the applicant ineligible for the incentives offered through this article.**

**(e) The granting of the exemption or stabilization will inure to the benefit of the city by reason of:**

**(1) The willingness of the manufacturing or commercial concern eligible property owner to locate in the city; or**

**(2) The willingness of a manufacturing firm an eligible property owner to expand facilities with an increase in employment or or the willingness of commercial or manufacturing concern or to retain its facility in the city and not reduce substantially its work force in the city.**

**(f) The property which is the subject of the application must conform with all city and state zoning laws, building and fire codes prior to the authorization of any property tax stabilization for the applicant. The zoning officer, the building official and fire marshal for the city shall be required to issue a written certification indicating that the property does so conform.**

**(f) The granting of the exemption stabilization of taxes will inure to the benefit of the city by reason of the willingness of a manufacturing or commercial firm an eligible property owner to replace, reconstruct, expand, retain or remodel existing buildings, facilities, machinery, or equipment with modem buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in plant, equipment, or commercial building investment by the property owner**

in the city.

**(g) The minimum threshold for participation in this program is \$50,000 in taxable improvements as determined by the city tax assessor. The assessed value of the proposed improvements shall be established by the city tax assessor prior to authorizing any tax stabilization pursuant to this article.**

**(g) Prior to authorizing any property tax stabilization for the property, the property owner shall be required to obtain a Municipal Lien Certificate from the tax collector's office, indicating that the applicant business and/or property owner is current on all payments owed to the city. Any payments that are in arrears on the property shall render the applicant ineligible for the incentives offered through this article.**

**(h) In the event the applicant is delinquent on any quarterly tax or other payment due to the city on property receiving the exemption hereunder for a period of more than 45 days, or in the event that the subject property no longer complies with city and state zoning laws, building and fire codes, the tax exemption granted pursuant to this stabilization program shall cease immediately. Notice of the tax delinquency and/or failure to comply with city and state zoning laws, building and fire codes shall be sent to the property owner by registered mail not more than 30 days after the tax delinquency and/or failure to comply with city and state zoning laws, building and fire codes occurs.**

**(h) The property which is the subject of the application must conform to all city and state zoning laws, building and fire codes prior to the**



authorization of any property tax stabilization for the applicant. The zoning officer, the building official and fire marshal for the city shall be required to issue a written certification indicating that the property does so conform.

(i) The minimum threshold for participation in this program by existing eligible properties is \$50,000 \$150,000 in taxable improvements as determined by the city tax assessor. The minimum threshold for new eligible properties and tangible business equipment is \$500,000. The assessed value of the proposed improvements or tangible business equipment shall be established by the city tax assessor prior to authorizing any tax stabilization pursuant to this article. Applicants for stabilization of tangible business equipment shall document the creation or relocation of no fewer than 10 full time equivalent jobs (FTE's). Such documentation shall be submitted to the Department of Planning for review and verification at the time of application. Failure to create or maintain such jobs within or for a 12 month period from the date of application for stabilization will result in the tax exemption granted pursuant to this stabilization program ceasing immediately. Notice of the failure to comply with this job creation requirement shall be sent to the property owner by registered mail.

(j) In the event the applicant is delinquent on any quarterly tax or other payment due to the city on property receiving the exemption hereunder for a period of more than 45 days, or in the event that the subject property no longer complies with city and state zoning laws,

building and fire codes, the tax exemption granted pursuant to this stabilization program shall cease immediately. Notice of the tax delinquency and/or failure to comply with city and state zoning laws, building and fire codes shall be sent to the property owner by registered mail after the tax delinquency and/or failure to comply with city and state zoning laws, building and fire codes occurs.

**Sec. 16-64. Stabilization schedule.**

(a) (1) For expansion or renovation of any existing facility, construction of a new facility, the addition of tangible business property, or leasehold improvements, excepting instances where the proposed taxable improvements are in excess of \$1,000,000 \$5,000,000, the percentage of new added taxable assessment shall be stabilized is in accordance with the following tax exemption schedule:

**Year Percent Exempt From Tax**

- 1 100**
- 2 80**
- 3 60**
- 4 40**
- 5 20**
- 6 0**

In year six and thereafter, the new value will be taxed at the normal

rate for the city.

(2) For expansion or renovation of any existing facility, construction of a new facility, addition of tangible business property, or construction of leasehold improvements whose taxable value is in excess of \$1,000,000, \$5,000,000 the requirements as prescribed under section 16-66 of this article may apply. The applicant may elect, however, to proceed with the five-year administrative stabilization program.

(b) The exemption provided for herein will not relate to the value of land, but to the value of related improvements and tangible business property only. Tax assessment and collection practices and procedures will be the same as for any other property, including revaluation and improvements unrelated to stabilization, except for the application of the tax exemption tax stabilization provided for herein.

(c) Leasehold improvements will be classified as tangible personal business property in order to qualify for the exemption provided for herein, provided they are physically attached to the building.

(d) All exemptions granted pursuant to this tax stabilization program may be transferred in the event the property is sold during the term of the stabilization program.

#### **Sec. 16-65. Application procedure.**

(a) The application procedure for projects with greater than \$50,000 \$150,000 in taxable improvements but less than \$1,000,000 \$5,000,000 in taxable improvements shall proceed as follows:

(1) Businesses or Eligible property owners planning to utilize this

**program shall, prior to obtaining a building permit, apply for the program through the city planning department. A complete application will contain the following material exhibits:**

- a. Application form;**
- b. Five sets of improvements plans;**
- c. An itemized description of the improvements associated with the project;**
- d. An application fee in the amount of \$100.00 \$200.00;**
- e. A municipal lien certificate issued by the city collector's office for the project property.**

**(2) The city tax assessor, building official, zoning officer, fire marshal and city clerk shall be immediately forwarded a copy of the application for comment and review. The city tax assessor shall review and establish the taxable value of the proposed improvements as described by the applicant within the application for stabilization. The planning department may also forward copies of the application to other departments for additional review and comment.**

**(3) The planning department must determine that the granting of the exemption or stabilization will inure to benefit of the city by reason of:**

- a. The willingness of the manufacturing or commercial concern eligible property owners to locate in the city; or**
- b. The willingness of a manufacturing firm an eligible property to expand facilities with an increase in employment or the willingness of a commercial or manufacturing concern to retain its facility in the city**

**and not reduce substantially its work force in the city.**

**(4) The planning department must determine that the granting of the exemption or stabilization of taxes will inure to the benefit of the city by reason of the willingness of an manufacturing or commercial firm eligible property to replace, reconstruct, expand, retain or remodel existing buildings, facilities, machinery, or equipment with modern buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in plant or commercial building investment by the property in the city.**

**-**

**(5) The planning department shall review the application and any other comments received from other departments and divisions and deem the application complete within 30 days of receiving the application.**

**(6) The director of planning and the city assessor shall approve, deny or defer a decision pending additional information within fifteen days of the issuance of a certificate of completeness.**

**(7) Upon approval of the application, the city tax assessor or his designee, shall conduct an inspection of the subject property in order to determine the assessed valuation of the property prior to improvements and/or renovations.**

**(8) Subsequent to the city tax assessor's inspection and approval of the subject property, the applicant may obtain a building permit for improved property from the city building official. A building permit must be obtained within six months of the application's approval. Failure to obtain a building permit for improved property within the**

**allotted time shall deem the approval null and void.**

**(9) (a) Upon completion of the improvements, the tax assessor or person designated by him shall inspect the subject property, and confirm the taxable assessed value added to the property. The city tax assessor will thereupon notify the applicant and the city planning department of the added value and the schedule of phased in taxable value on the new construction, improvement or increase in tangible business property.**

**(b) The planning department and city assessor shall submit an annual report to the city manager and the city council identifying all properties participating in the property tax stabilization program. Additionally, this ordinance shall be reviewed annually by the department of planning and the city tax assessor in order to evaluate the overall effectiveness of the program and to recommend to the city council any additional language or amendments which may improve the effectiveness of the program.**

**(c) All participating employers are required to comply with all federal and state regulations concerning job safety and affirmative action requirements.**

**(d) The city reserves the right to terminate this program at any time through the action of the city council.**

**(10) An appeal of the decision of the planning director and city tax assessor must be filed with the board of assessment review within 20 days of the decision. The decision of the board of assessment**

**review is final.**

**Sec. 16-66. Extended stabilization.**

**In the event the expansion or renovation of any existing facility, construction of a new facility or leasehold improvements of an existing facility exceeds \$1,000,000 \$5,000,000 in taxable value, as determined by the city assessor, the amount of the tax stabilization and the length of term of the stabilization shall be may be extended to ten years determined by the city council, subject to the requirements set forth in section 16-67 of this article.**

**Sec. 16-67. Extended stabilization schedule.**

**In determining the amount of stabilization and the length of term of the stabilization, the following schedule may be used in computing the amount of stabilization:**

<b>Year</b>	<b>Percent Exempt From</b>
<b>Tax</b>	
<b>1</b>	<b>100</b>
<b>2</b>	<b>90</b>
<b>3</b>	<b>80</b>
<b>4</b>	<b>70</b>
<b>5,6,7,8,9,10</b>	<b>60,50,40,30,20,10</b>

**In year 21 11 and thereafter, the new value will be taxed at the normal rate for the city.**

**At the city council's discretion, the amount of stabilization and length of term of the stabilization may be modified, however the length of term for the stabilization shall not exceed 20 years.**

**Sec. 16-68. Application procedure for extended stabilization.**

**(a) The application procedure shall proceed as follows:**

**(1) Businesses or property owners planning to utilize this program shall, prior to obtaining a building permit, apply for the program through the city planning department. Tangible business property and leasehold improvements are not eligible for extended stabilization. A complete application will contain the following material exhibits:**

**a. Application form;**

**b. Ten sets of improvements plans;**

**c. An itemized description of the improvements associated with the project;**

**d. An application fee in the amount of \$200.00 \$200.00;**

**e. A municipal lien certificate issued by the city collector's office for the project property.**

**(2) The city tax assessor, building official, zoning officer, fire marshal and city clerk shall be immediately forwarded a copy of the application for comment and review. The city tax assessor shall review and establish the taxable value of the proposed improvements as described by the applicant within the application for stabilization. If the proposed expansion or improvements exceed the \$1,000,000 \$5,000,000 threshold as established under this ordinance, the application shall be deemed eligible for city council stabilization review.**

**The planning department may also forward copies of the application**



to other departments for additional review and comment.

(3) The planning department shall review the application and any other comments received from other departments and divisions and deem the application complete within 30 days of receiving the application.

(4) Once the application is deemed complete, the city tax assessor or his designee, shall conduct an inspection of the subject property in order to determine the assessed valuation of the property prior to improvements and/or renovations. The results of this inspection shall be provided to the planning department for inclusion in the planning department's recommendation to the economic development commission.

(5) Subsequent to the city tax assessor's inspection of the subject property, the department of planning shall review and prepare a written recommendation to the economic development commission which outlines the fiscal impacts the proposed stabilization will have on the tax base of the city and provide a recommendation for stabilization on the property. The economic development commission shall consider the department of planning's recommendation and prepare a written recommendation to the city council within 30 days of the economic development commission meeting. Upon receiving the economic development commission's recommendation, the city clerk shall place the stabilization request on the docket of the next available city council meeting.

(6) In reviewing the application the city council must determine that the granting of the exemption or stabilization will inure to benefit of

**the city by reason of:**

- a. The willingness of the manufacturing or commercial concern to locate in the city; or**
- b. The willingness of a manufacturing firm to expand facilities with an increase in employment or the willingness of a commercial or manufacturing concern to retain its facility in the city and not reduce substantially its work force in the city.**

**(7) In reviewing the application the city council must determine that the granting of the exemption or stabilization of taxes will inure to the benefit of the city by reason of the willingness of a manufacturing or commercial firm to replace, reconstruct, expand, retain or remodel existing buildings, facilities, machinery, or equipment with modern buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in plant or commercial building investment by the eligible property in the city.**

**(8) The city council shall vote to approve, deny or defer the application for stabilization. and if approved shall establish a stabilization schedule which describes the amount of the stabilization and the length of term of the stabilization.**

**(9) Upon approval by the city council, the applicant may obtain a building permit from the city building official. All other necessary permits required for development of the site, must be obtained, however, prior to the issuance of a building permit. Regulatory review of a proposed development may proceed prior to the approval of the**

stabilization by the city council. A building permit must be obtained within one year of the application's approval by the city council. Failure to obtain a building permit within the allotted time shall deem the approval null and void. The applicant may request an extension of the approval not be exceed six months which shall be subject to approval by the city council.

(10) Upon completion of the improvements, the tax assessor or person designated by him shall inspect the subject property, and confirm the taxable assessed value added to the property. The city tax assessor will thereupon notify the applicant and the city planning department of the added value and the schedule of phased in taxable value on the new construction or improvement.

(b) The planning department and city assessor shall submit an annual report to the city manager and the city council identifying all eligible properties participating in the property tax stabilization. to the city manager and the city council identifying all employers participating in the property tax stabilization program. Additionally, this ordinance shall be reviewed annually by the department of planning and the city tax assessor in order to evaluate the overall effectiveness of the program and to recommend to the city council any additional language or amendments which may improve the effectiveness of the program.

(c) All participating employers are required to comply with all federal and state regulations concerning job safety and affirmative action requirements.

(d) The city reserves the right to terminate this program at any time

through the action of the city council.

**SECTION II.** This ordinance shall take effect upon second passage and all ordinances and parts of ordinances inconsistent herewith are hereby repealed.

**Requested By:** Assistant Mayor Rose

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

## **IX. NEW BUSINESS**

### **A. City Managers Report**

#### **B. Council Members**

- 1. Commencing City Manager Search Process (by Mayor Briden)**
- 2. Welcoming Businesses (by Councilwoman Capobianco)**
- 3. Permits (by Councilman Cunha)**
- 4. Ordinance Regarding Surveyor (by Councilman Cunha)**
- 5. Flags (by Councilman Cunha)**

#### **C. Report of School Committee Liaison**

## **X. ADJOURNMENT**

**Motion\_\_\_By\_\_\_2nd\_\_\_**

**Capobianco\_\_\_Cunha\_\_\_Rossi\_\_\_Rose\_\_\_Briden\_\_\_**

**\*If communications assistance is needed or any other accommodations to ensure equal participation please contact the City Clerk's Office at 435-7590.**